

HOUSING

Business booms at Axa Irish housing fund as firm books tens of millions in dividends

Over €20 million was sent from the insurance group's Irish subsidiary to Axa-controlled entities in 2021 alone

KILLIAN WOODS | JUNE 11, 2024



Capital Dock, a 22-storey apartment block in Dublin's docklands, is part owned by Axa. Picture by Fergal Phillips.

Axa's rental property investment fund in Ireland has paid out tens of millions of euro in dividends in recent years, financial records have shown.

A subsidiary of the French insurance group in Ireland has a large stake in a portfolio of more than 2,500 apartments in the country, which is managed by [Kennedy Wilson](#), the US investment fund.

Financial filings for Avicdale Limited, Axa's subsidiary, have shown the firm has paid more than €32 million in dividends between the period 2019 and 2022.

The largest payout was made in 2021, when €20.2 million was sent from Axa's Irish subsidiary to its investors, which include Axa-controlled entities in the Netherlands, Luxembourg, France and the UK.

Firms operating in Ireland's private rental sector have previously warned the current rent pressure zone (RPZ) rules, which came into effect in 2016 and limit rent increases to 2 per cent per annum pro rata, or in line with inflation if it is lower, have deterred funds from investing in Ireland.

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Representatives for the sector have said the rent caps have made the country an unappealing investment option for funds and landlords.

Since Axa first entered the Irish private rental sector (PRS) in 2018, all of its residential portfolio has been subject to the rent caps rules and filings with the Companies Registration Office (CRO) show its Irish entity shows has recorded consistent levels of after-tax profits.

Projects

Axa entered into its joint venture with Kennedy Wilson in 2018, which involved the business taking a 50 per cent stake in the US fund's Irish portfolio.

The portfolio includes more than 2,500 residential units, and a further three large-scale residential developments are under construction that will add 1,196 units to the portfolio.

The rental properties are spread across 14 different locations, mainly located within Dublin with one property based in Cork. One notable asset in the portfolio is Capital Dock, a 22-storey apartment block, which contains 190 apartments.

Axa's Irish firm also part owns Clancy Quay at Islandbridge – the largest private rental complex in Ireland. The Dublin 8 development contains more than 850 housing units with capacity for 1,800 residents.

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Further assets in its Dublin portfolio include the Alto Vetro tower in Grand Canal Quay, Northbank Apartments on Castleforbes Road, The Chase in Sandyford, The Grange in Stillorgan, Vantage at Central Park in Leopardstown. The Cork property it part owns is The Elysian on Eglinton Street.

Some 232 new apartments, which are being built on the site of the former Stillorgan Leisureplex, will soon be added to Axa's Irish portfolio as the project is close to completion.

The accounts for Axa's Irish entity also included a commitment to continue to invest in its Irish portfolio "with the aim to maximise returns for the investors".

In recent months, further CRO filings show €12 million in cash has been pumped into Avicdale Limited by Axa-controlled firms in Luxembourg, the Netherlands, France and the UK.

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